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Attorneys for: Gilbert and Enedina Marroquin

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD CENTRAL VALLEY REGION

ADMINISTRATIVE CIVIL LIABILITY IN THE MATTER OF GILBERT AND ENEDINA MARROQUIN TULARE COUNTY ACL Complaint: R5-2016-0551

POLICY STATEMENT BY GILBERT AND ENEDINA MARROQUIN

- 1. This is a policy statement submitted by Gilbert and Enedina Marroquin (the "Marroquins") following their hearing on November 3, 2016. The Marroquins are pistachio farmers in Tulare County. They own approximately 80 acres in two 40 acre parcels, but only farm approximately 65 acres of pistachios. The APNs are 119-110-012 and 119-110-013. One parcel has approximately 32 acres of pistachios and the other has approximately 33 acres of pistachios. This is confirmed by the Marroquins' membership application to join the coalition. The scope of the Marroquins' farming operation was established by evidence at the hearing and is undisputed.
- 2. 2014 was a terrible year for the Marroquins in every conceivable way. Mr. Marroquin was battling cancer during 2014. As if that wasn't enough of a challenge, Tulare County was still in the midst of a drought and production for his



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pistachios was less than half of normal production. Pistachios are an alternating year crop. This means that you have a banner year followed by a terrible year. 2014 was a terrible year. The Marroquins introduced evidence at the hearing of their actual crop production numbers for the 2014 crop, as provided by Wonderful Pistachios. Contrary to the findings of the economist for the prosecution, the Marroquins' production and resulting revenue was nowhere near the more than \$600,000 claimed. The Marroquins wish that were the case. Instead, as revealed by the production numbers from Wonderful Pistachios and confirmed by the Marroquins' 2014 tax return, they had a net farm loss of -10,571 (See Schedule F of the 2014 tax return, which is Exhibit 6), and an overall loss that year of more than \$50,000.

- 3. At the same time, the Marroquins were hopelessly in debt. They owed more than \$1.2 million dollars. Their farms were upside down, their home was upside down, and things were looking pretty hopeless. To that end, the Marroquins provided a summary of their debt from 2014 (See Exhibit 9), and the backup documentation for that summary revealing the significant debts they owed at that time (See Exhibit 10). Due to hearing document submission time constraints, the Marroquins were unable to provide their 2015 tax returns, as further evidence of their ongoing financial problems.
- 4. The Marroquins were simply overwhelmed in 2014 and in significant personal and financial stress. The notion of another expense for 2014, like joining the coalition, was more than they could bear. In addition, they did not understand the significance of joining the coalition, in spite of notices sent to them. They honestly believed it was just another expense, but did not grasp the notion that they needed to join a coalition. There was no bad faith or resistance apart from their emotional and financial state at the time that caused them to misunderstand the urgency in joining the coalition.
- 5. To be fair, the Board's own inspection reports from September 16, 2015 show no signs of discharge. (See Exhibit 2). Further, according to the Board's Calculation of Penalty per SWRCB Water Quality Enforcement Policy at page F-3

reveals that the failure of the Marroquins to submit a RoWd or NOI is not causing daily detrimental impacts to the environment or the regulatory program nor is that failure resulting in an economic benefit that can be measured on a daily basis. (See Exhibit 3) In short, the Marroquins may have failed to submit a RoWd or NOI, but it did not harm the water supply. It was an inadvertent oversight by the Marroquins caused by their personal and financial problems in 2014. The Marroquins provided what evidence they had available to them according to the hearing deadlines and constraints to substantiate their inability to pay. They regret that they could not provide more information on a timely basis. They really do lack the ability to pay the fine as proposed at \$30,030. Such a fine will cause considerable economic hardship and impair their ability to farm. The farm is their primary source of income, as shown at the hearing.

- 6. The Marroquins have since filed their NOI and joined the Kaweah Basin Water Quality Association. (See Exhibits 12-14).
- 7. The Marroquins recognize that they did not timely join the coalition. They know now that they should have been more diligent in doing so. The absence of any proof of discharge which might have caused harm to the water supply should have been more heavily considered by the hearing panel. The Marroquins have also established their inability to pay the fine as levied at the hearing. The Marroquins ask that they only be required to pay the minimum fine of \$6,246, or such other amount deemed reasonable by the full Board, but less than the \$30,030 recommended.

DATED: 1 - 3.0, 2017

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